

The Seattle Times Company wishes to submit comments in response to the FCC Notice of Proposed Rulemaking. The Seattle Times Company is one of the largest local, family owned and independent daily newspapers remaining in the United States today. We have been publishing in Seattle for 106 years and are now led by the fourth and fifth generation of the Blethen family. We appreciate the opportunity to submit comments on this important matter before the FCC.

Because of an existing Joint Operating Agreement (JOA), The Seattle Times Company is also responsible for circulation sales for the Hearst-owned Seattle Post-Intelligencer (P-I). Daily combined circulation for the Times and P-I is 381,698. Sunday circulation is 473,010.

Telemarketing has long been the most effective and cost efficient means of marketing circulation for the Times and Post-Intelligencer. The Seattle Times urges the FCC not to propose a national "do-not-call" database. We strongly believe that existing protections for consumers such as the company specific "do not call" lists are adequate, and better serve consumers. We will focus our comments on the impact of our telemarketing efforts on consumers in our market, The Seattle Times' need for continued use of telemarketing, and the burden any new, more restrictive rules would place on our efforts to serve our community with quality journalism.

Because the Seattle Times is locally owned, and has been a fundamental part of the fabric of our community for over a century, it is not in our best interest to engage in telemarketing practices that are offensive to consumers. As such, we strictly adhere to existing regulation and internal standards including the use of the company specific "do not call" list, limiting the number of rotations of calls through the market, and limiting the hours and days we engage in telemarketing. In addition to calling only between the hours of 9 AM and 8:45 PM, we do not call consumers on Sundays and rarely call on Saturday afternoon. For consumers who hang up, we treat them as a "no sale" and they are not recalled again for several months. While the telemarketers we use are a combination of employee callers and outside contractors, 70% of calling is done by employees - employees who live in the same community as the consumers they are calling. Our telemarketing sales representatives receive extensive sales training and supervision. The success, credibility and professionalism of our telemarketing efforts is demonstrated by the extraordinary and growing number of weekly orders, in excess of 2000.

The Seattle Times also uses predictive dialers. We urge the FCC not to bar the use of this efficient, cost saving technology. Because of the internal standards we adhere to, our abandonment rate of 2% is substantially below the industry standard. Our use of predictive dialers systematically screens out the calling of cell phones and business phone numbers. Predictive dialers have improved our ability to scrub databases, allowing better adherence to the existing company specific "do not call" regulations. While we believe it is not necessary for the FCC to set a mandatory maximum abandonment rate, if the FCC does choose to do so, our experience tells us that a 5% or higher abandonment rate per telemarketing campaign would be acceptable.

Consumers in our local market are well educated on the use of existing

tools to screen unwanted telemarketing calls. 17% of the total residents in our market have asked to be placed on the company specific "do not call" list. This number is high by industry standards and demonstrates individuals' understanding of existing tools available to them. We are also anecdotally aware that telezappers are on the increase in our market and that the use of caller ID is extremely common in our marketplace.

As previously mentioned, telemarketing has long been the most cost-effective and productive means of selling circulation for The Seattle Times. 45.7% of all new subscriptions sales are sold via telemarketing. Including subscription conversions from fewer days per week to more days (up-selling), telemarketing accounts for 59% of circulation sales. We have spent substantial resources to improve the productivity of this critical sales medium, which has resulted in a higher than standard sales per hour of 1.8 as compared to the industry standard of 1.08. Newspapers generally have a higher sales rate per hour than other products in the market. Other circulation marketing tools we employ, such as door-to-door sales and event promotions, produce only 41% of our total annual sales and are much more costly on a cost-per-order basis. In addition to new sales, the Times uses telemarketing to reach former subscribers. With 25% of those called re-starting their subscriptions, this is an enormously productive means of maintaining and growing our subscriber base.

The FCC may be aware that newspapers generally across the country are challenged by a downward trend in circulation. The Seattle Times Company has refused to accept this trend as a given and has undertaken to grow circulation annually. Without the current volume of orders produced by our telemarketing operation, it would be impossible to grow, or even to maintain, existing circulation levels. In addition to a downward trend in circulation sales, newspapers nationally have suffered severe economic harm from greatly reduced advertising revenue associated with the current and ongoing national recession. A national "do not call" registry would impose greater costs on newspapers' telemarketing operations by requiring the downloading of the registry and the scrubbing of lists, while at the same time resulting in the opportunity to call fewer potential subscribers. The current practice of company specific lists is a much less costly regulation to newspapers, and allows consumers access to telemarketing they may not object to, while screening out calls that are truly unwanted.

The Seattle Times Company believes that newspapers are a primary means of giving the public the information they need to be productive citizens in a democracy. It is not in the public's best interest to become less engaged in their local communities or in the actions of their government. Newspapers use telemarketing almost exclusively in local communities to sell circulation. If the FCC does determine to establish a national "do not call" registry, it certainly should exempt newspapers. The TCPA directs the FCC to consider whether "different measures and procedures" for avoiding unwanted telemarketing calls may be in order for "local telephone solicitations or holders of second-class mail permits." While we would strongly argue the FCC should not establish a national "do not call" registry, it is clear that an exemption for newspapers is something the FCC is authorized to establish in the event a national registry is the outcome of the FCC's rulemaking.

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Respectfully submitted,

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